



June 2015

Dear Vendor:

Hilcorp Energy Company is pleased to report that almost 2,000 of our vendors have fully transferred to eInvoicing in the Cortex Trading Partner Network (CTPN).

Since the start of our transition into eInvoicing with Cortex, we have seen significant improvements and successes in our overall AP process.

- We are approaching 80% automation
- We have processed over 200,000 electronic invoices in the last year
- More than 1,500 over 4,500 U.S. vendors registered on Cortex do business with Hilcorp Energy Company

While this invoice automation project has helped our ability to pay invoices quickly and streamlined our internal processes, we are pleased our vendors have also experienced benefits to transacting through Cortex. Benefits to our suppliers include reduced occurrence of missing invoices, increased invoice accuracy and visibility to their invoices being received by Hilcorp.

Hilcorp will continue to accept paper invoices in the near term, but the bulk of our resources will be focused on the eInvoicing process and the efficiencies that accompany it. As we continue to advance this process, our resources used for the functions related to manual or paper invoices will decrease. All paper invoices should be sent to PO Box 61529 in Houston, TX 77208-1529 for processing, no matter what area you are billing from. Hilcorp strongly encourages you to take advantage of the benefits associated with eInvoicing and to register by visiting on-line at [www.cortex.net](http://www.cortex.net) calling Cortex at 1-866-716-6272 (option 2) or email [insidesales@cortex.net](mailto:insidesales@cortex.net)

We have made arrangements for the following to assist our vendors with a seamless transition to Cortex:

- Training resources (FAQ's, quick reference guide, webinars) at [www.cortex.net](http://www.cortex.net)
- Customer support contact information

We value our vendor relationships and if there is a specific reason that prevents you from joining this program, please help us understand your concerns. You can reach the Hilcorp Accounts Payable team at [APCORTEX@hilcorp.com](mailto:APCORTEX@hilcorp.com) to discuss this matter in greater detail.



## Electronic Invoicing

### Frequently Asked Questions

#### 1. Why should I register to Cortex Trading Partner Network?

- Invoices submitted through the Cortex Trading Partner Network (CTPN) are fully visible to vendors through receipt by Hilcorp. This will allow a quicker response to invoice disputes or errors and streamline the payment process.
- Minimize use of paper and postage in your invoicing processes – costing less by saving time, paper and postage for both you and Hilcorp.
- There are 18 other Oil and Gas producers on the CPTN in the US and many more in Canada that are using the Cortex network that add value to you using one solution to invoice these companies. You can communicate with and connect to other buyers on Cortex through your account.

#### 2. What happens if I choose not to sign-up for Cortex?

Hilcorp is strongly encouraging all vendors to sign-up with Cortex to streamline the payment process and reduce the risk of missing or lost invoices. All invoices not submitted through Cortex must be mailed to our PO Box 61529, Houston, TX 77208. This may result in increased processing time. Hilcorp **does not** accept invoices via email, nor do we accept invoices emailed to our office locations.

#### 3. Will electronic invoicing cost me more than sending manual invoices?

This eInvoicing solution has flexible price models to suit vendors' business requirements and transaction levels. If a vendor chooses to enroll in a monthly subscription plan, it will cost about the same amount as sending manual invoices when factoring in printing, paper and postage costs. There are also 'Pay as you Go' plans for those vendors that do not choose a monthly subscription.

More information on pricing will be made available to vendors by contacting Cortex directly at **1-866-716-6272 option 2**.

#### 4. We do electronic invoicing with other companies and they do not charge for it – why do we have to pay to get paid?

Other systems may not cost vendors anything, but cost more to the buying organization to implement and maintain. This is a shared-cost solution with benefits to the vendor that extend to additional buying organizations on CTPN. Other eInvoicing companies require the vendor to pay the full cost or pay a percentage of their invoice values which Hilcorp Energy did not believe was fair to vendors. Cortex is a solution that will help maintain quality invoicing processes and support Hilcorp in paying vendors within contract terms.

#### 5. How do I sign-up with Cortex?

Online at [www.cortex.net](http://www.cortex.net), and click the "Join Now" button at the top right of the page. Or simply contact Cortex at **1-866-716-6272, Option 2** or email [insidesales@cortex.net](mailto:insidesales@cortex.net).

#### 6. How do I learn to use the Cortex system?

The following training options are available to you: Webinar Training (Cortex led sessions that run multiple times daily, 5 days a week), Computer Based Training (available 24/7) or On-line documentation (24/7). All training options are easily accessible from your Cortex account.



**7. What are the next steps?**

Cortex and Hilcorp are partnered to make this a success for everyone. For questions on Cortex, you can contact Cortex using the contact information provided above. For questions regarding Hilcorp's e-Invoicing process please email Antoinette Page at [apage@hilcorp.com](mailto:apage@hilcorp.com)